

MINUTES OF THE MEETING
INDIANA HEALTH AND EDUCATIONAL FACILITY FINANCING AUTHORITY

November 15, 2006

MEMBERS PRESENT: Ryan Kitchell; Lance Rhodes; Bill Lister; Jerry Mann

ALSO PRESENT: Brenda Horn, Kristin McClellan, Ice Miller; Bob Kocher, Bank of New York; John Meade, Hall Render; Nesy Shems, Keri Trolson, Piper Jaffray; Kelly McNairy, City Securities; Ralph Mercuri, Floyd Memorial; Cindy Pierson; and Dan Kramer.

Mr. Kitchell welcomed those in attendance, recognized the presence of a quorum and called the meeting to order at 11:05 a.m. on November 15, 2006, in Suite 900, One North Capitol Avenue, Indianapolis, Indiana, pursuant to notice thereof.

Mr. Kitchell asked for approval of the Minutes of the October 25, 2006, meeting of the Indiana Health and Educational Facility Financing Authority. Mr. Lister stated that the reference to the "preliminary resolution" on page two, paragraph two needs to be changed to say "final resolution." Thereupon, upon motion made by Mr. Rhodes and seconded by Mr. Lister, it was unanimously:

RESOLVED, the Minutes of the October 25, 2006, meeting of the Indiana Health and Educational Facility Financing Authority are hereby approved with the above noted amendment and the Executive Director is instructed to execute same and to place same in the Minute Book as the Minutes of the October 25, 2006, Meeting of the Indiana Health and Educational Facility Financing Authority.

EXECUTIVE DIRECTOR'S REPORT

A copy of the Executive Director's Report is attached hereto as Exhibit A.

The Executive Director began by telling members that the Trinity Health Credit Group Project transaction for \$10,860,000 closed on November 9, 2006 and a portion of the Ascension Health Senior Credit Group Project transaction for \$467,220,000 is preclosing today (November 15th).

The Executive Director continued with the next item on the agenda, the Preliminary Resolution for Floyd Memorial Hospital and Health Services in an amount not to exceed \$15,000,000. The purpose of this financing is for the renovation of approximately 61,000 square feet to expand services in the areas of medical/surgical unit, pediatric unit, obstetrics unit, and nursing units.

Thereupon, upon motion made by Mr. Rhodes and seconded by Mr. Mann, it was unanimously:

RESOLVED, the preliminary resolution authorizing the issuance of one or more series of the Indiana Health and Educational Facility Financing Authority Revenue Bonds (Floyd Memorial Hospital and Health Services), Series 2006 in a principal amount not to exceed fifteen million dollars and approving and authorizing other actions in respect thereto be and is hereby approved.

A copy of the resolution is attached hereto as Exhibit B.

The Executive Director finished his report by directing members to the Indiana Health and Educational Facilities Financing Authority's October expense report and November Cash & Investment Report.

The Executive Director concluded his report.

There being no further business, the meeting was adjourned.

Respectfully submitted,

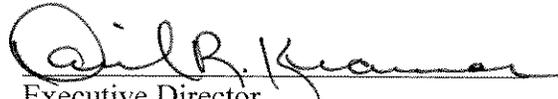

Executive Director

EXHIBIT A

INDIANA HEALTH AND EDUCATIONAL FACILITY
FINANCING AUTHORITY

ONE NORTH CAPITOL AVE., SUITE 900
INDIANAPOLIS, INDIANA 46204
(317) 233-4335 FAX: (317) 232-6786

**REPORT BY
DANIEL KRAMER, EXECUTIVE DIRECTOR**

November 15, 2006

Activities for the period October 26, 2006, through November 15, 2006, are as follows:

I. Special Projects in Various Stages of Development:

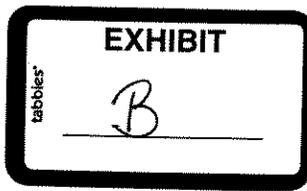
1. Trinity Health Credit Group - CLOSED	\$10,860,000
2. Ascension Health Senior Credit Group	\$757,000,000
3. Community Hospital of LaGrange County, Inc.	\$26,750,000
4. Floyd Memorial Hospital and Health Services	\$15,000,000

II. 1985 A Variable Rate Pool Activity

1. New Applications: None
2. Pending Applications: None
3. Approvals:
 - a. L.O.C. Required: Imaging Center of North Central, IN, Inc. \$3,500,000

III. Comments

1. The Trinity Health Credit Group Project (\$10,860,000) closed on November 9.
2. Included in Authority Members' folders is an application and preliminary resolution for the Floyd Memorial Hospital and Health Services Project transaction in an amount not to exceed \$15,000,000. Brenda Horn, Ice Miller, Bond Counsel, and Ralph Mercuri, CFO, Floyd Memorial Hospital, are here to discuss the resolution.
3. Included in Authority Members' folders is the October, 2006, Expense Report.
4. Included in Authority Members' is the November, 2006, *Cash and Investments* Report.



PRELIMINARY RESOLUTION AUTHORIZING THE ISSUANCE OF THE
INDIANA HEALTH AND EDUCATIONAL FACILITY FINANCING AUTHORITY
ADJUSTABLE RATE HOSPITAL REVENUE BONDS, SERIES 2006
(FLOYD MEMORIAL HOSPITAL AND HEALTH SERVICES PROJECT)
IN A PRINCIPAL AMOUNT NOT TO EXCEED
FIFTEEN MILLION DOLLARS,
AND APPROVING AND AUTHORIZING OTHER ACTIONS IN RESPECT THERETO

WHEREAS, the Indiana General Assembly enacted Indiana Code 5-1-16, as amended (the "Act"), which created the Indiana Health and Educational Facility Financing Authority (the "Authority") which is empowered to issue bonds for the purpose of making loans to Participating Providers (as defined in the Act) for the financing, reimbursing or refinancing of all or any part of the cost of Health Facility Property (as defined in the Act); and

WHEREAS, The Board of Trustees of Floyd Memorial Hospital and Health Services (the "Borrower"), a Participating Provider within the meaning of the Act, has requested that the Authority issue one or more series of its Adjustable Rate Hospital Revenue Bonds, Series 2006 (Floyd Memorial Hospital and Health Services Project) in an amount not to exceed \$15,000,000 (collectively, the "Bonds") and loan the proceeds of such Bonds to the Borrower for the purpose of (i) financing or reimbursing a portion of the costs of constructing, acquiring, renovating or equipping certain healthcare facilities constituting Health Facility Property (the "Projects") within the meaning of the Act, (ii) paying certain costs of issuing the Bonds, including underwriter's discount, (iii) funding a debt service reserve fund, if any, and (iv) obtaining credit enhancement for the Bonds; and

WHEREAS, the Authority desires to issue Bonds and loan the proceeds to the Borrower for purpose of financing the Projects and all costs related thereto; and

WHEREAS, the Authority desires to authorize its Chair, Vice Chair or Executive Director to take certain actions in preparation for marketing of the Bonds;

Be it resolved by the members of the Authority that:

Section 1. Based on the application of the Borrower, the Authority hereby finds that the Projects are necessary or helpful to provide, directly or indirectly, healthcare, habilitation, rehabilitation or therapeutic rehabilitation services; or any related supporting service, in Indiana, and thus constitute Health Facility Property within the meaning of the Act.

Section 2. Bonds in an aggregate principal amount not to exceed \$15,000,000 are hereby authorized to be issued under and pursuant to the Act and the proceeds thereof loaned to the Borrower for the purpose of financing the Projects, provided, that the appropriate actions are taken pursuant to the Act, the Internal Revenue Code of 1986, as amended, and applicable securities laws as may be required to implement the aforesaid financing and that all of the foregoing shall be mutually acceptable to the Authority and the Borrower.

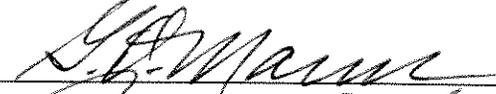
Section 3. Piper Jaffray & Co., as representative of the Underwriters, is hereby authorized at the appropriate time to distribute an Official Statement to potential purchasers of the Bonds.

Section 4. The Chair, Vice Chair or the Executive Director is hereby authorized and empowered to approve the Official Statement and deem the Official Statement final as of its date, except for the omission of the following information: the offering price(s), interest rate(s), selling compensation, aggregate principal amount, principal amount per maturity, delivery dates, ratings and other terms of the Bonds depending on such matters.

Section 5. The Chair, Vice Chair and the Executive Director are hereby authorized to take such actions which may be necessary and advisable to prepare for the issuance of the Bonds, subject to the final approval of the terms and conditions thereof by the Authority.

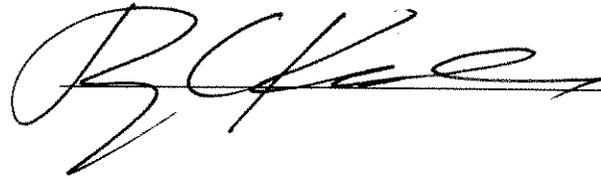
Dated this 15th day of November, 2006.

INDIANA HEALTH AND EDUCATIONAL
FACILITY FINANCING AUTHORITY

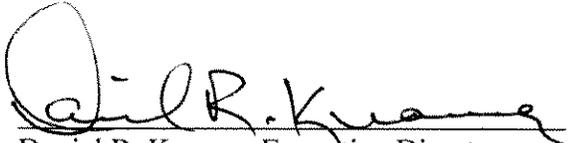








Attest:



Daniel R. Kramer, Executive Director